

Neighborhood Planning for Community Revitalization

Creating a Housing Database

For the East Side Neighborhood of St. Paul, Minnesota

A CONSORTIUM PROJECT OF: Augsburg College; College of St. Catherine; Hamline University; Higher Education Consortium for Urban Affairs; Macalester College; Metropolitan State University; Minneapolis Community College; Minneapolis Neighborhood Revitalization Program; University of Minnesota (Center for Urban and Regional Affairs; Children, Youth and Family Consortium; Minnesota Extension Service); University of St. Thomas; and Minneapolis community and neighborhood representatives.

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For the East Side Neighborhood of St. Paul, Minnesota**

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*Note: maps are not available on the Internet version

Executive Summary

In an effort to better target its housing development activities, *East Side Neighborhood Development Company (ESNDC)* of St. Paul, Minnesota initiated this database research project. The following report outlines the database creation process including the variables chosen, data purchase, additional variables and indicators suggested by housing research, and descriptive statistics and maps to help ESNDC determine which parts of their service area may need additional housing assistance. While the specific variables examined in this report do not clearly suggest target areas, the housing database serves as a starting point for the organization to examine the East Side's housing needs and its response to these needs.

Introduction

In their efforts to revitalize central city neighborhoods, community-based development organizations are increasingly required to target development activities in order to make the most impact with limited funds. Municipalities distribute resources among housing programs and organizations where minimal public expenditure will "lead to substantial positive effects towards neighborhood stabilization."¹ In the Twin Cities, for example, the St. Paul City Council introduced the *Capital City Development Program* proposal, a response to policy discussions surrounding the public costs associated with infill housing and rehabilitation. Funding criteria includes demonstrated cost savings through targeted geographical development in areas that exhibit trends such as declining property values or owner-occupied housing². Neighborhood organizations must, therefore, determine which areas are most in need of revitalization activities before submitting proposals for local government approval and funding.

In an effort to better target its housing development activities, *East Side Neighborhood Development Company (ESNDC)* initiated this research project to help identify general block areas and specific properties most in need of housing assistance such as improvement financing

¹ Bogdon, Amy S. and Can, Ayse. Indicators of Local Housing Affordability: Comparative and Spatial Approaches. *Real Estate Economics*. V25, 1997. (pp. 43-80).

² St. Paul City Council. *Capital City Development Program Proposal* draft. 1997.

or rehabilitation. The final product includes a housing database and neighborhood maps to help give a clearer sense of the current housing environment on the East Side. Also, descriptive statistics are presented for future comparison. The purpose of this report is to summarize the database creation process including the variables chosen, to touch upon additional variables and indicators as pulled from a housing literature review and to supply descriptive statistics on the East Side's housing stock

The East Side of St. Paul and the East Side Neighborhood Development Company (ESNDC)

The East Side geographic area is bounded by Interstate 35E to the west, East 7th Street to the south, Johnson Parkway to the east and Larpenteur Avenue to the north.³ The population consists of approximately 27,000 residents and grew by 3.7 percent between 1980 and 1990. The population resides in 10,441 households with a median household income of \$23,314, which compares to \$26,498 for all of St. Paul. Of the 11,136 housing units, approximately one-half are single family structures and one-half were built before 1939⁴.

East Side Neighborhood Development Company (ESNDC) was established in 1979 as a non-profit community development organization serving the East Side of St. Paul, Minnesota. ESNDC's three-part mission includes developing and maintaining quality affordable *housing*; promoting the *business* community and economic development; and encouraging community involvement of *residents and business owners* that work or live within the neighborhood. Because of its very large service area and evidence that suggests the northern part of the east side is more stable than the rest (between Larpenteur and Maryland Avenues)⁵, most of ESNDC's housing development activities have focused on the area south of Maryland. ESNDC has rehabilitated and developed over 100 housing units and provided improvement financing for more than 140 houses. Current projects include "Rebuild the City", a pilot program that uses volunteers to improve and rehabilitate the exteriors of homes within a two-block target area. Improvement efforts include painting, storm window replacement and retaining wall repair.⁶

³ This area corresponds with the Citizen Participation Planning District 5. Descriptive statistics are based on Census data for this geographic area and include Census Tract numbers 306.01, 306.02, 309, 310, 311, 315, 316 and 330.

⁴ Source: 1990 Census

⁵ Gillespie, Lundblad, Rusch. *Building Prosperity: A Community Economic Development Plan*. State and Local Economic Development Strategies Workshop. Hubert H. Humphrey Institute of Public Affairs. 1997.

⁶ ESNDC Express: Newsletter of the East Side Neighborhood Development Company. Summer 1997.

Housing Indicator Research

For the database project, ESNDC suggested Ramsey County Assessor's data as the primary data source. In addition, a literature review was conducted to determine other potential variables and indicators that could help describe the East Side's housing stock for more effective project targeting, thus allowing development and financial assistance to be funneled to the most appropriate areas.

Neighborhood-level analysis of housing and community conditions tends to be inconvenient because attention has historically focused on larger reporting units such as cities, counties or states. The devolution of housing and welfare responsibility to state and local governments, the increase of neighborhood-based organizations and revitalization efforts, and the use of Geographic Information Systems (GIS) have increased the need for and use of variables and indicators that provide information on conditions at the smaller neighborhood level⁷. Housing indicators can provide relatively objective criteria for systematic evaluation of housing stock conditions so that appropriate strategies can be taken to improve housing within the community.

Housing literature suggests three major issues that face residents and neighborhoods: housing deficiencies, low income housing needs, and affordability. Variable and indicator research considers ways to measure these issues, and when variables are tracked over time, they may uncover potential problems that require additional attention. As outlined by the U.S. Department of Commerce, indicators are generally composites of individual variables (such as age of housing by median income) or rates or percentages (such as the increase or decrease in homeownership levels) that allow analysis over time or across geographic areas.

The U.S. Department of Commerce⁸ lists six basic variables that have been used as the basis for creating profiles of housing and neighborhood conditions. These variables include:

- The *total number* and *type* of housing units: Single-family, duplex, condominium, etc.

⁷ Sawicki, David S. and Flynn, Patrice. *Neighborhood Indicators*. Journal of the American Planning Association. Vol. 62, No. 2. Spring 1996. (pp. 165-181)

⁸ Ingels, Mary. Use of Housing Data and Indicators. U.S. Department of Commerce (1980). Note: this list of variables is not all inclusive, but they are ones that can provide basic information.

- *Vacancy Rate or Number of Vacant housing units:* An indicator of neighborhood stability. For example, very high vacancy rates may indicate very unfavorable neighborhood conditions, while low levels may indicate stability. Looking at the vacancy rate by rent level may also highlight potential difficulties that households have finding affordable units if, for example, units at the lowest rent level have a very low vacancy rate.
- *Owner-Occupied units vs. rental units:* Tracking rates of owner vs. renter occupied units and changes in these rates may indicate a change in neighborhood composition. Some sources correlate higher neighborhood stability with those areas that have higher owner-occupancy rates; however, a neighborhood composed primarily of rental properties may be just as stable as one that is mostly owner-occupied.
- *Age of housing unit:* An older housing stock may need more improvements than a newer stock or have higher incidence of health hazardous materials such as lead paint. For example, substandard housing may be found in areas with numerous units built before 1940 that are also valued below average metropolitan levels.
- *Value or Rent:* A general indicator of desirability of area. Areas with high housing value or rent levels (relative to other areas) are assumed to be more stable. Following trends such as average housing value or sales price is a better indicator than simply looking at absolute values. For example, low-income neighborhoods (assuming lower housing values) are not necessarily unstable areas; however, large housing value fluctuations over time may indicate neighborhood change.
- *Household Characteristics:* Characteristics should be used in conjunction with variables that describe housing structure. This demographic information often comes from census data. Examples include age and race of household; income and poverty status; and family composition (i.e. family size or female-headed households).

Other potential variables include⁹:

- *Building permit activity* as an indicator of investment in housing stock
- Increased *Property tax delinquency* may indicate a declining housing market
- *Major Code Violations*
- *Condition* of housing units as evidenced through upkeep and maintenance
- *Percent of income spent on housing* as indicator of cost burden and general affordability
- Tracking of *utility shutoffs* as an indicator of housing turnover

ESNDC Database Creation

The geographic scope of the database includes three neighborhoods within ESNDC's larger service area: Railroad Island, East Consolidated and Payne. Maryland Avenue bounds this sub-area to the north, Arcade Street to the east, West 7th Street to the south and Interstate 35E to the west¹⁰. ESNDC concentrates its efforts within these neighborhoods because they tend to be less stable than others (as compared to those neighborhoods in the northern part of the service area) and contain the highest percentages of residents below the poverty level.

The ESNDC research project focuses on a relatively small geographic area. For more detailed information on an area of this size, it was determined that parcel-based data was the most helpful in further targeting blocks or areas within the three neighborhoods. The housing indicator research above highlights numerous variables that may help illuminate areas in need of assistance. While some variables, such as demographics from the Census, are better suited to describe a larger geographic area, others, such as code violations, are not available on a parcel-by-parcel basis. Based on this determination and due to the 12-week project timeline, *County Assessor and Public Health Vacant Building* data became the basis for the ESNDC database. The variables and data used in the ESNDC database serve as a starting point to be refined as

⁹Sources: Ahlbrandt Jr., Roger S. and Brophy, Paul C. Neighborhood Revitalization; Bogdon, Amy S. and Can, Ayse. Indicators of Local Housing Affordability: Comparative and Spatial Approaches. Real Estate Economics; Ingels, M. Housing Data Resources: Indicators and Sources of Data for Analyzing Housing and Neighborhood Conditions; William Craig "Data about Minneapolis Neighborhoods", 1993.

ESNDC finds other data and variable combinations that are helpful in targeting and tracking its service area.

Specific Data selection and purchase

County assessor and tax data can be purchased through the Ramsey County Department of Property Records and Revenue (PRR)¹¹. The first step in the process is a determination of the specific information fields needed for the database. The County sends "layouts" that specify the data fields that are available for sale and definitions of the internal coding used (for example, a "2" in the Construction Type field means that the house is brick). The numerous types of layouts are broken down by type of land use (such as residential, condominium, commercial-industrial and apartment) as well as name and address, current tax information, delinquent tax and value. For example, the *residential* layout contains data on land and building characteristics such as lot size, the number of stories and condition as well as a sales price history for properties classified as residential. The *name-address* layout tracks the fee owner, taxpayer and homestead names and addresses for all property types.

Property Records and Revenue maintains hundreds of data fields, many which are self-explanatory or defined, but many of which are not. It can be difficult to determine whether specific fields are useful additions to the database or what criteria determine a specific observation. For example, what do the fields "MRA Main" and "AEP Land" mean? What criteria determine that a house is in "average" condition? The department is not particularly user-friendly in deciphering data field meanings, although it can be helpful to visit the Property Records and Revenue offices downtown St. Paul and speak directly to an assessor.

When ordering data for specific properties, it is best to supply individual property identification numbers (PINs) on a disk using a spreadsheet format (such as Microsoft Excel). While simply supplying street boundaries is acceptable, PRR charges for the time it spends pulling the actual PINs. PRR charges \$45 per hour to download data + \$1.25 per disk, and

¹⁰ The Railroad Island, East Consolidated and Payne neighborhood boundaries approximate Census Tract numbers 309, 310, 315 and 330.

¹¹ Contact Karen Beaudette, Clerical Supervisor of Tax Operations, Ramsey County Property Records and Revenue, 50 West Kellogg Boulevard, Suite 730, St. Paul Minnesota 55102. Phone (612) 266-2168

statistical work can be done for an additional charge. To purchase data for the entire County, a \$170 charge applies plus \$1.25 per diskette. There is also a \$75 deposit due at the time the data is ordered. Order turnaround time is specified as three to five working days; however, the data for this project was not received for over two weeks, without a courtesy call or explanation for the delay. ESNDC data was supplied in *Dbf* format and downloaded into Microsoft Access.

The data fields purchased by ESNDC reflect ownership, property characteristics and tax delinquency status. The majority of the information pertains to residential properties¹². Data fields include the *owner and taxpayer's name/address* as well as the homestead name. Property characteristics include the type of *use* (such as single family, duplex or vacant land); the *condition* as determined by the Assessor's office (average, above or below); *construction year*; *homestead status*, the *number of units*, as well as building and lot specifications such as *width*, *depth*, *total living area*, and *number of bedrooms*. Other information includes building *permits* issued, *assessed value*, *vacant* houses and the number of years a property has been *tax delinquent* (For a more detailed listing of fields, see Appendix 1).

One major concern with Assessor data is its accuracy and timeliness. Property Records and Revenue has converted some of its information to a newer mass appraisal data system; however, not all information maintained in this data system is available for public purchase. In effect, some information that *is* available for public purchase is no longer used or has not been recently updated. For example, *economic obsolescence* refers to an outside factor that reduces a property's value, such as proximity to a garbage dump or a freeway that runs through the front yard. According to the Assessor's office, this variable is available for sale, but it is no longer used or updated. Newer variables that incorporate this type of information, however, are not available for public purchase (or if the variables are available, it is not clearly indicated by staff). Neighborhood groups, therefore, may decide to ignore *economic obsolescence* as a variable, or if it is purchased, use it as a vague indication that there may be a potential problem with the

¹² Note: buildings that the Assessor classifies as "Apartments" are not included. The ESNDC database focuses on residential property only.

property. It is also unclear what data *are* the most current and what is old and possibly inaccurate¹³.

Second, assessed value is often not accurate in quantifying a property's actual value, so *sales history* is a very important part of evaluating housing value changes within neighborhoods. Sales history data have been available from Ramsey County in the past and was requested for the ESND database. The Assessor's office, however, is now unsure whether it will sell this information to the public and would not include it with the rest of the data purchased. It is frustrating that this important information may be withheld from public use in the future.

Descriptive Statistics

- Using the Assessor and Vacant Building data, the following descriptive statistics were calculated for the Railroad Island, East Consolidated and Payne neighborhoods (approximately 2,350 residential parcels). Neighborhood maps highlight the geographic location of properties that exhibit the characteristics of a few of the variables.¹⁴ (Note: for more detailed summary data, please see Appendix II. See Appendix III for maps).
- **Property Type:** Percentages include only those properties classified as *residential* within Assessor files (2,350 parcels). *Vacant land* zoned as residential property is included. The neighborhood housing stock is generally older with an average age of 90 years.

Property Type	Percentage
Single Family	58%
Duplex or Double Dwelling	34%
Triplex or Townhouse	2%
Vacant Land	6%
<i>Average Year Built</i>	1906

¹³ Some layouts do contain "review" dates.

¹⁴ Special thanks to Lori Mardock for producing the East Side maps with MapInfo software.

- **Vacant Properties:** As of August 1997, there were 39 vacant residential structures in the three neighborhoods, and Map I shows their geographic locations. It can be seen that the vacant buildings are evenly dispersed throughout the target area, although a larger number appear to fall between Lawson Avenue to the north and Wells to the south.

Vacant Property Type	Percentage	Quantity
Single Family	46%	18
Duplex or Double Dwelling	46%	18
Triplex or Townhouse	8%	3

- **Homestead:** Of the residential properties, 29 percent were non-homesteaded while 71 percent were owner-occupied. Not surprisingly, most single family residences are homesteaded (87 percent), while a smaller percentage of duplexes are owner-occupied (58 percent). Non-homestead properties are not often looked upon favorably in declining neighborhoods; therefore, Map II locates all non-homesteaded property. Map IIa pulls out those properties that are also in below average condition, and there is a two-block concentration of homes that fit both of these criteria on Wells Street, east of Payne Avenue.

Property Status	Percentage
% Non-Homestead Single Family	13.0%
% Homestead Single Family	87.0%
% Non-Homestead Duplex and Double-Dwell	41.9%
% Homestead Duplex and Double-Dwelling	58.1%

- **Condition:** Most properties in the three neighborhoods are classified as *average* condition with very few *above average*. Below average properties are shown on Map III, and there is no clear clustering of these properties in any of the neighborhood areas.

Condition	Percentage
Above Average	1.4%
Average	82.3%
Below Average	9.6%
No Condition Listed ¹⁵	6.7%

Conclusions

There are thousands of ways to combine the ESNDC data, and the descriptive statistics above are a small sampling of the types of information that can be gathered with the database. Based on this cursory overview and the maps provided (vacant properties and below average structures and non-homestead properties), there are no clear concentrations of vacant or below average housing units that would indicate a particular area to target (except, perhaps, the blocks on Wells Street, east of Payne Avenue). Additional statistics and maps must be created before any conclusive determination can be made. In particular, it is recommended that ESNDC further clarify what characteristics may signal that an East Side property or block area may need assistance and to add data to the existing database as new variables are determined. Also, ESNDC may want to increase the database to include all the properties within the service area to make comparisons against and to ensure that other areas are not declining without notice.

¹⁵ Of all the properties without a condition listed, 94% are vacant land. It is assumed that other 6 percent of the parcels are missing data.

Appendix 1: Data fields purchased from Ramsey County Property Records & Revenue

Data Field	Data Field
Parcel Identification Number	Building Permit type and date
Property Street Address	Last Reviewed
Fee Owner Name and Street Address	Assessed Value Land and Building
Taxpayer Name and Street Address	Assessed Value New Improvement
Homestead Name	Total Tax
Homestead Status	Property Usage
Property Type	Property Sub-usage
Stories	Number of units
Condition	Delinquent Tax Year
Construction Type	Census Tract
Construction Year	Census Block
Wall Type	Garage Type
Heat Type	Garage Capacity
Roof Cover and Shape	2 nd Floor expansion
Ground Area	3 rd Floor expansion
Above Ground Area	Enclosed Porch
Total Living Area	Open/Screened Porch
Lot Location	Basement Type
Lot Shape	Walkout
Lot Width	Number of bedrooms
Lot Depth	Number of bathrooms
Lot Area	Sale Price, Month/Year, Sale Type ¹⁶
Functional Obsolescence (note: this field is no longer used or updated) ¹⁷	Economic Obsolescence (note: this field is no longer used or updated) ¹⁸

Note: *Vacant Building* data from the Public Health Department of Vacant buildings was also included.

¹⁶The Assessor's office is uncertain whether it will offer sales information for purchase. As of the writing of this report, the data has not been received by ESND.

¹⁷ Functional Obsolescence indicates a problem inherent in the building making it not functional for what it was built for. Ex: having to go through a bedroom to get to the bathroom.

¹⁸ Economic Obsolescence indicates outside factors that may lower the property's value. Ex: Train tracks or freeway through the front yard or a dump next door.

Appendix II: Crosstabs

Crosstab 1: Property Type by Homestead Status

Homestead: Homestead:

Property Type	NO	YES	Total	%
SINGLE FAMILY DWELLING	175	1172	1347	57.5%
TOWNHOUSE	3	8	11	0.5%
DUPLEX	306	433	739	31.6%
DOUBLE DWELLING	23	20	43	1.8%
DWELLING CONVERTED TO DUPLEX	1	4	5	0.2%
NON RESIDENTIAL BUILDING	5		5	0.2%
TRIPLEX	27	17	44	1.9%
VACANT LAND	145	2 (?)	147	6.3%
TOTAL	685	1654	2341	
%	29.3%	70.7%	100.0%	

Source: Ramsey County Property Records and Revenue

Crosstab 2: Condition by Homestead Status

Condition	Homestead:NO	Homestead:YES	Total	%
Above Average	5	28	33	1.4%
Average	420	1506	1926	82.3%
Below Average	108	117	225	9.6%
No condition listed*	152	5	157	6.7%
TOTAL	685	1656	2341	100%
Percentage	29.3%	70.7%		

Source: Ramsey County Property Records and Revenue

*Note: Of all the properties without a condition listed, 94% are vacant land. It is assumed that other 6 percent of the parcels are missing data.

Appendix III: Maps

Map I: Vacant Buildings

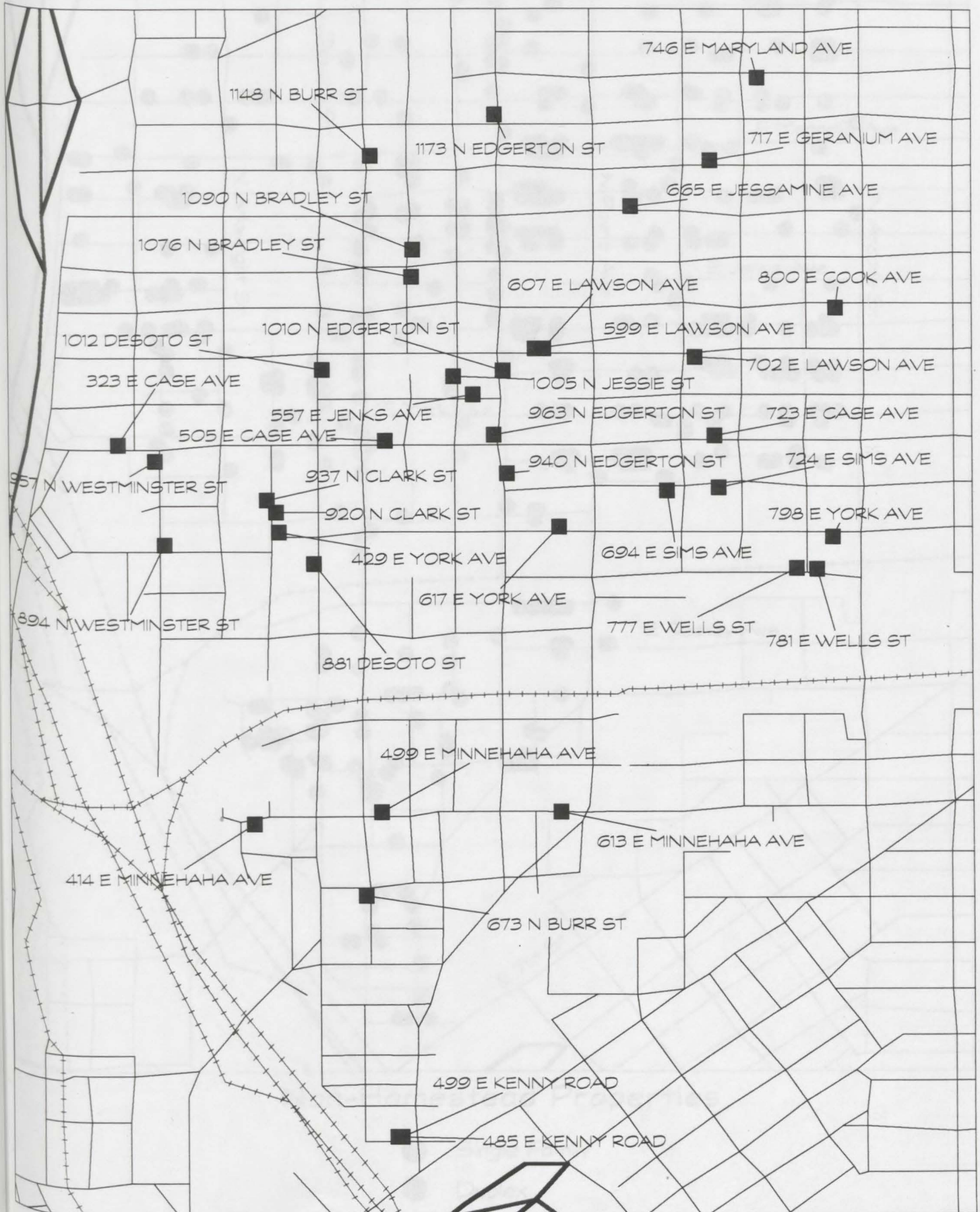
Map II: Non-Homestead Properties

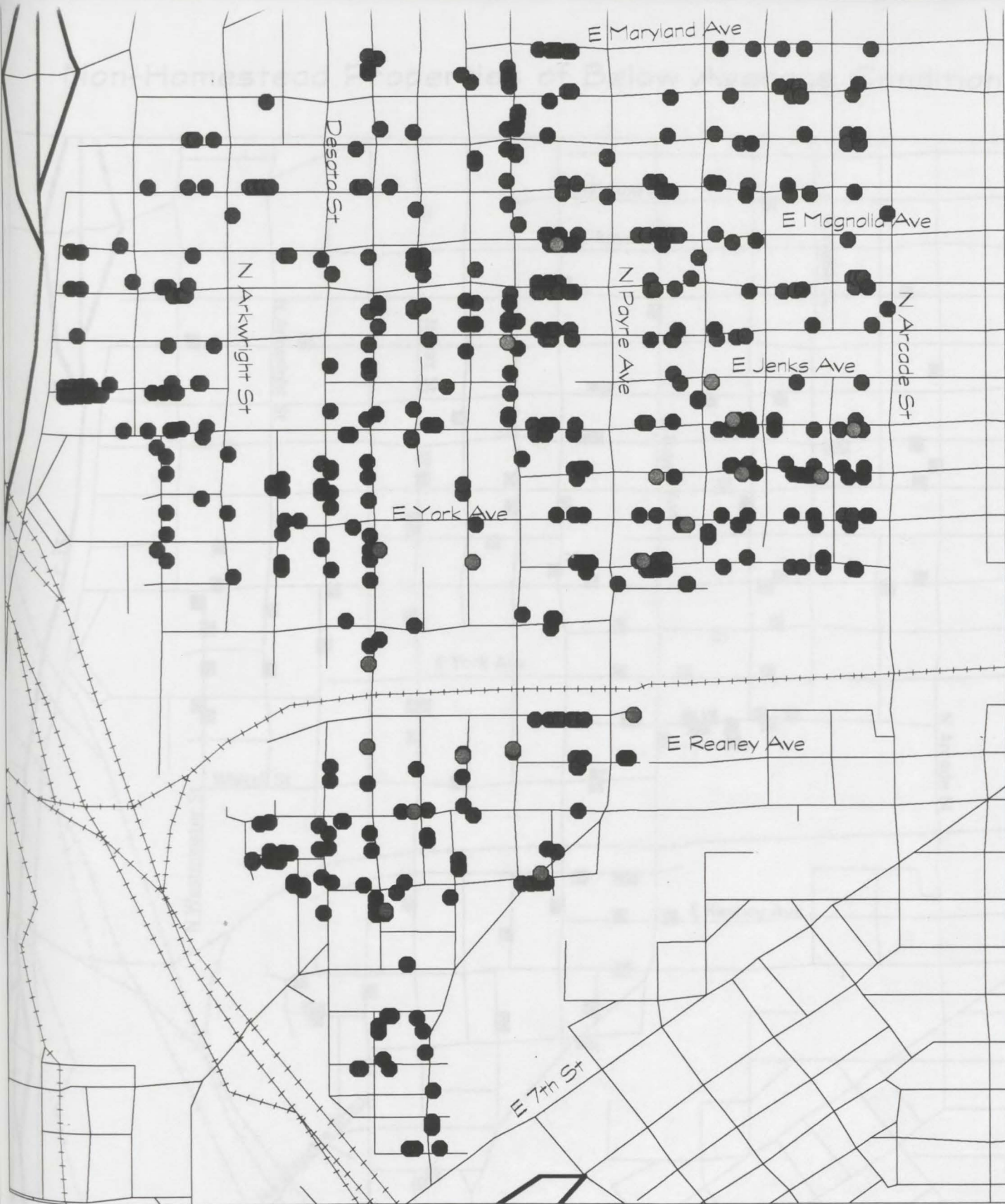
Map IIa: Non-Homestead Properties of Below Average Condition

Map III: Below Average Condition

Sources: Ramsey County Property Records and Revenue and Public Health Department of Vacant Buildings

Vacant Buildings

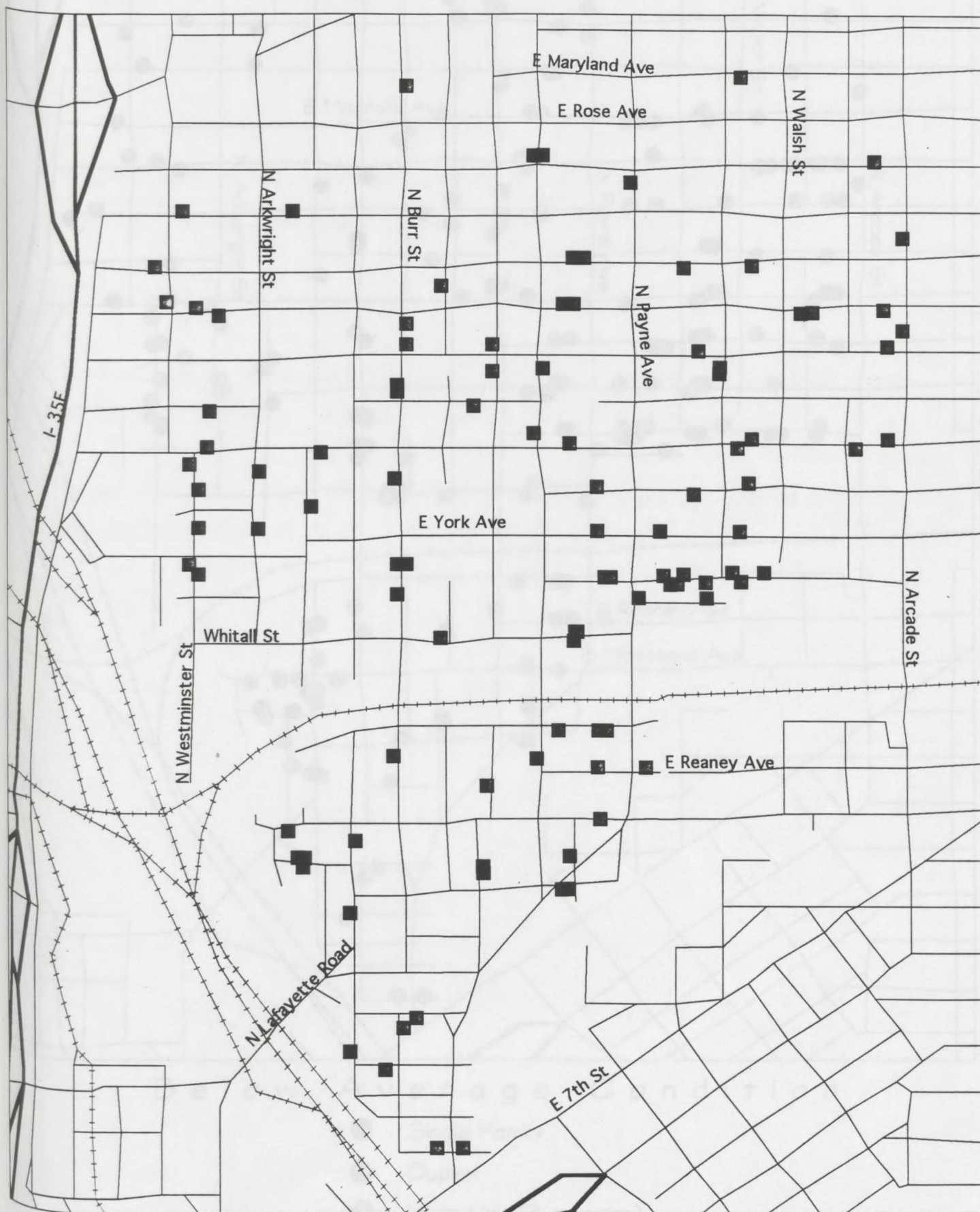


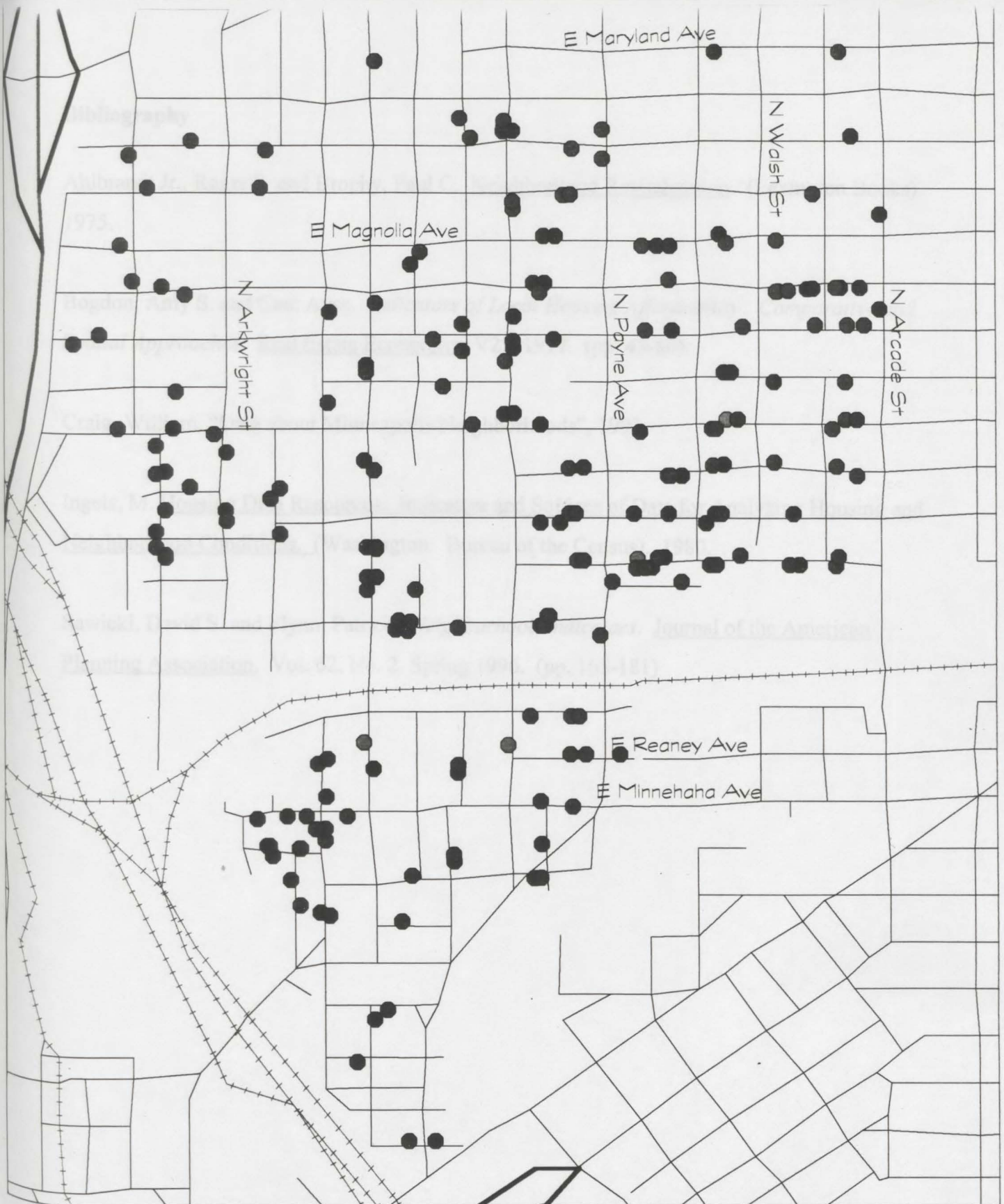


Non-Homestead Properties

- Single Family
- Duplex
- Multi-Unit (3 or more)

Non-Homestead Properties of Below Average Condition





Below Average Condition

- Single Family
- Duplex
- Multi-Unit (3 or more)

Bibliography

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